State's Ports Upgrade Infrastructure, Go Green *Published May 27, 2009*

Ports in Los Angeles, Long Beach and Oakland are among the nation's busiest - and taking steps to remain so.

California's ports are taking advantage of lesser traffic brought on by the sluggish economy to make improvements that will strengthen them for the future.

From the twin ports of Long Beach and Los Angeles, which handle about 40 percent of the nation's cargo, to smaller facilities such as those at Humboldt Bay and Crescent City, as well as inland sites in Pittsburg and Stockton, upgrades to infrastructure are under way or planned.

"Our ports face competitive pressures from new and expanding ports in Mexico and Canada as well as other domestic ports, mostly on the East Coast," says Bill Allen, president and chief executive officer of the Los Angeles County Economic Development Corp. "Trade diversion to other ports, the sour economy and the resultant drop in container traffic ... ripples out to many port-related employment sectors including longshoremen, truck drivers, industrial real estate and port finance."

The ports of Long Beach and Los Angeles are implementing the San Pedro Ports Clean Air Action Plan, or CAAP, which involves hundreds of millions of dollars invested by them, local air districts, port-related industries and the state to cut particulate matter pollution from all port-related sources by at least 47 percent over the next five years. A major portion of CAAP is the Clean Trucks Program, which is expected to reduce air pollution from port-drayage trucks by more than 80 percent.

"There must be a commitment to 'green growth' so that our ports modernize and expand in a way that cuts pollution, creates thousands of new high-wage jobs and contributes billions of dollars to our local economy," Allen says. "From an economic development perspective, the bottom line is jobs, and some estimates forecast that green growth at our twin ports could generate close to 1 million new jobs over 20 years."

Major Improvements in Long Beach

Currently, the Port of Long Beach has three major infrastructure projects in the works or wrapping up, according to James Hankla, president of the Long Beach Board of Harbor Commissioners. He identifies them as the \$780 million Middle Harbor Project to combine two older piers into a new pier and terminal with enhanced rail transportation; a second new terminal costing about \$700 million; and the \$1.1 billion replacement of the Gerald Desmond Bridge.

"When we come out of the recession, we will have a very, very attractive infrastructure in place," Hankla says, "We're also doing several smaller, rail-oriented improvements and are working on a zero-emission cargo system to move between the ports and the intermodal

container facility. We're trying to make use of this downtime to get the necessary improvements done to make us both more competitive and more environmentally sterile."

Similar efforts at the state's smaller ports will be just as vital to their long-term success, says Barry Sedlik, president of California Business Ventures and former acting secretary of the California Business, Transportation & Housing Agency.

"Having viable ports and the ability to move goods in and out efficiently is critical to the state's future economy," Sedlik says. "They have tremendous challenges relative to emissions and health effects, and a lot is being done relative to changing out trucks for rail and other onsite operations. Those things are very expensive to do in the short run, and they have to find the balance between improving efficiency and keeping costs competitive. It's a big challenge, and they're trying to meet it."

Story by Joe Morris Photo by Jeff Adkins